



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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July 31, 2003

Neil Bradshaw, et. al.
Bright Project
P.O. Box 1054
Cedar City, Utah 84721

Re: Notice of Conditional Tentative Approval to Commence Large Mining Operations, Neil Bradshaw et al, Bright Project, M/021/030, Iron County, Utah

Dear Mr. Bradshaw:

The Division has completed a review of your latest response, received July 7, 2003, addressing our May 5, 2003 deficiency review letter. After reviewing this latest information, the Division hereby grants **conditional** tentative approval of the Bright Project large mining permit application. We will not be able to proceed to publish a formal notice of tentative approval until the following conditions are addressed:

Tentative Approval Conditions

- 1) The utilization of two processing areas to process material from the six separate quarries will result in the concentration of excess material (rocks & fines) in these two areas. Final reclamation of the quarries will require the utilization of a portion of the fines material and rocks. The permittee needs to agree to return all fines to the quarries for reclamation. The Division suggests that the operator return the fines concurrent with operations; back-hauling this material is an option.
- 2) Because soils were not salvaged from the processing areas, the operator needs to commit to perform certain soil treatments. The soils in these areas have been contaminated with waste fines, and while this waste does not have the organic material or biological activity of topsoil, it should not be deleterious. Therefore, the operator needs to commit to add organic material in the form of composted manure at the rate of 10 tons per acre. In addition, all available soil and organic

materials, such as brush, scraped from these sites should be reapplied to these areas. After applying the soil and amendments the processing areas should be ripped a minimum of 18 inches deep. Because of the minimal depth of soils being placed in the quarries during reclamation, this method should also be used in those areas.

- 3) Reclamation of the 4000 feet of newly constructed roads should consist of: blading to remove borrow ditches and spoils berms along the edges of the road, application of composted manure at a rate of 10 tons per acre, broadcast seeding, and ripping to a minimum depth of 18 inches.
- 4) The permit application says the amount of seed applied will be doubled if the seed is broadcast, but it gives an amount of pure live seed to be broadcast seeded on all areas. The amount of seed shown in the application is adequate for being broadcast, without being increased for broadcast seeding.

If you agree to these conditions, you can simply **initial and date** each of the items above and return this letter to the Division within 30 days to finalize this permit application. Once we receive your response to these conditions, we will prepare to publish a formal notice of tentative approval in the appropriate Salt Lake City and Iron County newspapers. This will begin the required 30-day public comment period. If no substantive comments are received during the public comment period, the Division will then be prepared to issue its final approval for this project.

Prior to issuing final permit approval we must receive: 1) two copies of the complete and consolidated plan; 2) a completed Reclamation Contract (Form MR-RC) agreement. The Reclamation Contract form must be attached to the reclamation surety for this project. The new reclamation surety amount is \$48,300. A copy of the surety estimate is attached for your use. Please let us know which type of surety you propose to post so we can provide you with the appropriate form. Please provide us with a "draft" copy of the completed Reclamation Contract and surety form before they are finalized, so we can review them for completeness and accuracy.

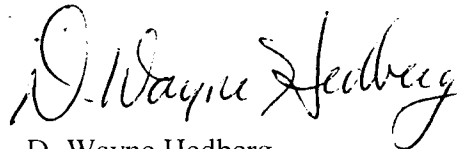
If the required surety and Reclamation Contract are not received prior to the end of the 30-day public comment period, the Division will withdraw Tentative Approval and your Notice will be returned to you. If, at a later date, you wish to pursue a mining permit, you will need to submit a new notice along with the appropriate application fee. **Please be advised that you are not authorized to create any additional or new mining related surface disturbance until you have received written final approval from this Division. You must also obtain appropriate**

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clearances or approvals from the other regulatory agencies involved with the permitting process of this mine.

The Division will suspend further review of the Bright 1 & 2 mine NOI until your response to this letter is received. If you have any questions in this regard please contact me or Doug Jensen of the Minerals Staff at (801) 538-5286 or 538-5382, respectively. Thank you for your cooperation and patience in completing this permitting process.

Sincerely,

A handwritten signature in black ink that reads "D. Wayne Hedberg". The signature is written in a cursive, flowing style.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Attachment: Surety estimate
cc: Ed Ginouves, BLM, Cedar City FO
Mary Ann Wright, DOGM
Doug Jensen, DOGM
O:\M021-Iron\M0210030-Bright1&2\Final\cond-tent-apv-07312003.doc

RECLAMATION SURETY ESTIMATE					
Neil Bradshaw et al					
Bright Project					last revision 07/15/03
DOGM file Number M/021/030					filename M021-030.WB2
Prepared by Utah State Division of Oil, Gas & Mining					Iron County
<p>This site consists of six small quarries, two processing areas and 4000' of new access roads.</p> <p>At the end of the each quarry life, reject rock and unmarketable surplus (fines) will be used to backfill the quarries.</p> <p>Excess material will be used as subsoil on quarry floors and the reduce the highwalls.</p> <p>Operator commits to transport excess material (fines) from the process areas to remote quarries for use in final reclamation.</p> <p>ASSUME: 1500 CY of excess material (large rocks & fines) will be generated each year.</p> <p>ASSUME: Excess material will be back-hauled to remote quarries.</p> <p>Soils will be left in place in both processing areas and new access roads.</p>					
Note: actual unit costs may vary according to site conditions					last unit cost update 10/07/02
-Amount of disturbed area which will receive reclamation treatments =					17.0 acres
-Estimated total disturbed area for this mine =					18.9 acres
Activity	Quantity	Units	\$/unit	\$	Note
Safety gates, signs, etc. (mtls & installation)	1 sum		200	200	(1)
Debris & equipment removal - trucking	4 trips		55	220	(3)
Debris & equipment removal - loading trucks w/FE loader	10 hours		180	1800	(5)
Ripping stockpile & compacted areas - (18" to 24" depth)	7.4 acre		246	1820	(9)
Ripping pit floors - (18" to 24" depth)	8.4 acre		246	2066	(9)
Ripping pit access roads (2 ft depth)	1.2 acre		613	736	(9)
Highwall reduction - drill & blast (lump sum)	1 lump sum		7500	7500	
Overburden replacement - dozer	7500 CY		0.58	4350	(10)
Topsoil replacement - dozer	2930 CY		0.58	1699	(12)
Composted manure (10 ton/acre)	17 acre		300	5100	(00)
Broadcast seeding	17 acre		240	4080	(00)
General site cleanup & trash removal	9 acre		50	450	(00)
Equipment mobilization	2 equip		2000	4000	(00)
Reclamation supervision - 10% of Reclamation Surety				4154	(15)
	Subtotal			38176	
10% Contingency				3818	
	Subtotal			41993	
Escalate for 5 years at 2.82% per year				6265	
	Total			48258	
Rounded surety amount in year 2008 \$				48300	
Average cost per disturber acre =				2553	

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|------|---|
| (1) | DOGM lump sum assumed |
| (3) | Means 2002, 02225-730-5100, bldg demo, rubbish handling, \$0.53/CY permile for >8CY truck; assumed 100 miles round trip |
| (5) | Rental Rate Blue Book 3Q/02, Cat 980G, 7CY \$98.00hr+\$38.20/hr, & Means 2002, Crew B-10U, loading trucks only\$43.60 |
| (9) | Means 2002 & Blue Book 3Q/02: Cat D8R, U, multi shank rippers, speed 1.0 mph |
| (10) | DOGM general estimate - excess material production for 5 year operating period |
| (12) | Means 2002 & Blue Book 3Q/02: Cat D8R, U, mtl 2550 lb/CY, 100 ft push |
| (00) | DOGM general estimate - manure \$16/ton delivered, \$14 ton/acre spreading |
| (00) | DOGM general estimate - broadcast seeding |
| (00) | DOGM general estimate - site cleanup & trash removal |
| (00) | DOGM general estimate - equipment mobilization |
| (15) | DOGM general estimate |